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UNIVERSITY OF CAPE TOWN

**A correlational study into the impact of self-efficacy on job performance
in the retail banking environment**

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A dissertation submitted in partial fulfilment of the requirements for the award of the
Degree of Master of Commerce in Organisational Psychology

Faculty of Commerce

University of Cape Town

2005

COMPULSORY DECLARATION:

This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works of other people has been attributed, and has been cited and referenced.

Signed by candidate

Signature:.....**Signature Removed**..... Date: 15 December 2005

ACKNOWLEDGEMENTS

Firstly, I would like to thank my employer for giving me the time to complete the Master's programme, full-time, and for the assistance I received with the research. I would especially like to thank my colleagues Rushda Alawie, Valerie Jacobs, Charlene Morkel and Fatima Mohamed for their ongoing encouragement and unselfish support with deadlines at work. I would also like to thank my manager, Shamira Edwards, for her unending encouragement, ideas and for facilitating the year with such support.

I would also like to acknowledge the guidance, support and patience of my supervisor, Anthony Hill, without whom this process would not have been possible.

My classmates Rejane Williams and Joi Benjamin, have been an infinite source of encouragement and made the Masters year of 2005 really worthwhile. It was very rewarding to find that through challenging times the basis for such firm friendships could be formed. To Rejane, I owe huge gratitude for being there for me during the writing process and encouraging me every step of the way.

Special thanks also goes to Dr. Michelle Esau, a good confidant and friend, for her guidance, support and encouragement throughout the year.

Lastly I would like to thank my husband, Llewelyn and children, Leah and Cade, for their infinite patience, support and for the many sacrifices they have made throughout the year. Without their encouragement and belief in me this year would not have been possible.

I would also like to thank my parents and sisters for the many hours they have put in to make this year possible for me to complete. Without question, they have found ways to help me juggle my life's demands and to facilitate the choices I had to make with more ease.

ABSTRACT

This research paper examined the relationship between self-efficacy and job performance in a retail banking environment. It was based on the premise that high self-efficacy will have a positive effect on job performance. The research sample comprised of 57 retail bankers who completed a self-efficacy questionnaire. The results of the self-efficacy score was correlated to their mid-year performance ratings received from the organisation in order to evaluate the nature of the relationship. Despite the findings of previous research, this study concluded that the relationship was, in effect, not a positive one and examined the possible reasons why that presented itself in this research scenario. The questionnaire used to assess the self-efficacy of the retail bankers was found to be a good measurement instrument. The reasons as to why the relationship was not a positive one, possibly points to the measurement of performance in the organisation that might be restrictive in terms of giving a true reflection of the retail banker's performance.

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INTRODUCTION

Organisational performance is crucial to businesses in South Africa today as they are faced with increasing global competition. They subsequently find themselves under pressure from their shareholders to consistently exceed past performance in order to keep up with the increasing pace of their competitors. Given that organisational performance is, to a large extent, reliant on collective individual performance at all levels, it is important that organisations continue to interrogate the factors influencing individual performance.

One of these factors is the construct of 'self efficacy' or one's belief in one's capability to effectively perform a task. Although studies have found that self-efficacy affects task efforts, persistence, expressed interest, and the level of goal difficulty selected for performance attainment, little attention has been given to its organisational implications (Gist, 1987). A correlational study by Barling and Beattie (1983) as cited in Gist (1987) showing that self-efficacy perceptions were strongly correlated to sales performance among life insurance agents indicated a need for more detailed examination of self-efficacy and the links between it and performance in an organisational setting.

This research will attempt to identify a positive relationship between the self-efficacy perceptions of retail bankers and their performance ratings. The retail banking environment is a highly competitive one in which the performance of retail bankers, who sell banking products, is critical to the success of an organisation. A study of this nature has not been conducted within a banking environment in the South African context and therefore the study could yield results that are of value to this sector. It is further envisaged that this research could assist in informing organisations on how to increase the collective performance of an organisation, by understanding how to influence the performance of individuals.

This paper is structured as follows. Chapter one presents a review of the literature on the construct self-efficacy and how it relates to performance generally and more specifically to that of performance in an organisational setting.

Chapter two details the methodology employed in the research by elaborating on the method of data collection, data analysis and interpretation of procedures. Chapter three and chapter four explore the results of the research and the analysis, interpretation and discussion of the findings of the research respectively.

Lastly the conclusion contains recommendations based on the findings of the study that could assist organisations to influence the level of performance of individuals in the organisation by having knowledge of their personal level of self-efficacy.

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CHAPTER 1 – LITERATURE REVIEW

One of the key constructs that has received increasing empirical attention in organisational behaviour literature has been that of self-efficacy (Gist & Mitchell, 1992). A number of studies have focused on the correlation between people who think they will perform well on a task and who invariably do perform better than those that think they will fail (Gist & Mitchell, 1992).

In this chapter relevant literature relating to the construct self-efficacy and the impact that it has on job related performance is reviewed. Firstly, the construct is clarified in relation to other similar constructs. Thereafter, it is explained and its theoretical origins explored. Relevant theory is then examined in detail in order to explain the relevance to job performance in an organisational setting. Finally, various studies identifying the correlation between self-efficacy and job performance are explored as well as the limitations of such research.

1. Self-efficacy and related views

When reviewing self-efficacy it is important to develop a clear understanding of what is being measured and how it may be distinguished from other related constructs such as self concept, self esteem, etc. It is also important to determine what evidence is available to indicate that self-efficacy is, in fact, a better predictor of performance than other similar constructs.

1.1. Self-efficacy and self-concept

Self-concept has often been described as an appraisal of the self, formed through one's experiences with others and the evaluations of others in order to form a view of one's self (Rogers, 1959, Wylie, 1974, as cited in Bandura, 1997). Bandura (1997) explains that theories relating to the understanding of the self-concept explores people's attitudes toward themselves and in turn their general outlook towards life, but is left wanting in its explanation in terms of predicting human behaviour. "Such theories fail to explain how the same self-concept can spawn different types of behaviour." (Pajeras and Kranzler, 1995, Pajeras and Miller, 1994a, 1995 as cited in Bandura, 1997, p. 11). Bandura (1997)

further postulates that efficacy beliefs are highly predictive of behaviour whereas self-concept is a weaker equivocal.

1.2. Self-efficacy and self-esteem

Self-esteem is often seen to be a trait reflecting an individual's characteristics that are formulated by an affective evaluation of the self (often described as feelings of self-worth or self-liking (Bandura, 1988), whereas self-efficacy is about task capability and is thus not inherently self-evaluative (Gist, 1989). The two constructs are often confused as they describe similar but separate outcomes. "Self-efficacy is concerned with judgment of personal capability, whereas self-esteem is concerned with judgment of self-worth" (Bandura, 1988, p.11). For example if individuals judge themselves hopelessly inefficacious in a given activity it does not necessarily lead to a loss of self-esteem since one's entire perception of self-esteem is not contained in one activity. Bandura (1988) further stated that there is no fixed relationship between beliefs about one's capabilities and whether one likes or dislikes one's self. He explained that people cultivate their capabilities in activities that give them a sense of self-worth.

It was felt by Bandura (1988) that people needed much more than high self-esteem to do well in their given pursuits. They need firm confidence in their efficacy to maintain and sustain the effort necessary to succeed. Bandura (1988) therefore found that perceived self-efficacy predicted the goals people set for themselves and their performance attainments, whereas self-esteem predicts neither personal goals nor performance (More, Baker & Jeffries, 1995 as cited in Bandura, 1997).

1.3. Self-efficacy and expectancy

Self-efficacy has also been likened to expectancy as a construct. Gist and Mitchell (1992) cite Vroom's theory of expectancy (1964). They explain that expectations influence action and give rise to two types of behavior-outcome relationships, such as effort to performance (expectancy) and outcome to outcome contingencies (performance to reward). They explain that in general, conceptual distinctions between self-efficacy and expectancy suggest that self-efficacy may represent a more comprehensive formulation

of the rationale underlying expectancy theory construct. Although both constructs involve forethought, self-efficacy is viewed as having generative capability: “it influences thought patterns, emotional reactions and the orchestration of performance through the use of sub-skills like, ingenuity, resourcefulness, and so forth,” (Bandura, 1984, 1986 as cited in Gist 1992.p.186).

Chen, Greene and Crick (1998) further discuss this construct in that expectancy is also a cognitive process that is based on two expectations, that effort will lead to a performance level and that performance will lead to an outcome. They distinguish between the two in that “self –efficacy is concerned with an execution of an action and not its outcome” (p.299) and expectancy is exclusively in relation to effort. Chen et al (1998) conclude that self-efficacy is contingent on the internal factors that bear influence on the execution of actions and thus the assessment of personal efficacy may be greater in scope and depth than the measure of expectancy. Research into this construct should therefore seek to unlock the internal self-evaluative processes that bear influence on one’s actions before an individual has exerted effort to produce an outcome.

1.4. Self- efficacy and locus of control

Locus of control is another construct that self-efficacy is often confused with. Bandura (1988) referred to self-efficacy as a behavioral expectancy and locus of control as outcome expectancy. In the light of what has been explored with expectancy, it is the evaluative process before the outcome that is of keen interest to researchers. Chen et al (1998) state that self-efficacy and locus of control are both cognitive processes. They clarify the distinctions between the two constructs, viz. “ locus of control measures not only behavioral but also outcome control whereas self- efficacy concerns only behavioral control” (p. 299). They further state that internal versus external locus of control is a generalized construct covering a variety of situations whereas self –efficacy is task specific, examining the individual’s convictions that he or she can perform a specific task at a specific level of expertise (Gist 1987. p.478 as cited in Chen et al). Holloway and Watson (2002) state that locus of control is derived from Rotter’s Social Learning theory, “ a theory that is founded on the belief that behaviour is dependent on the individual’s

beliefs regarding both the value of the outcome (reinforcement) and the performance probability of that particular reinforcement occurring (expectancy)” (p. 108). Holloway and Watson (2002) make reference to Wallston in which he concludes that self-efficacy is a more potent determinant.

2. Self-efficacy explained:

Various theorists have explained self-efficacy relating it to different constructs. The fundamental understanding of the construct as it relates to organisations is the assessment of one’s capabilities about a specific task in order to produce a desired outcome. Theorists have acknowledged the interrelatedness of self-efficacy with cognitive functioning, motivation and the environment but this paper will not explore the processes that relate to making that assessment before executing the task.

Bandura first defined self-efficacy when he introduced the term, ‘task specific self-efficacy’ (TSSE) [Bandura, 1977a, as cited in Stanley and Murphy, (1997)]. This was defined as “ the conviction that one can successfully execute the behaviour required to produce the required outcome (Bandura, 1977b, p. 183) as cited in Stanley and Murphy, (1997). Bandura then defined the term general self-efficacy (GSE), as a general set of expectations that an individual possesses based on past experience that affects his or her expectations of success in new situations. GSE was therefore seen as a task specific self-efficacy that is generalized to other situations.

Bandura stated that people guide their lives by their beliefs of personal efficacy (1997). He described perceived self-efficacy as the belief individuals have in their capability to organize and execute the courses of action required to produce given attainments. If organisations can explore the processes that influence how individuals organize and execute their courses of action it could impact the collective result of the action. This could assist organisations to understand what collective actions will lead to performance attainment.

Self- efficacy was described as a construct derived from Social Cognitive Theory, which posited “a triadic reciprocal causation model, in which behavior, cognitions and the environment all influence each other in a dynamic fashion” (Gist et al 1989, p.184). Wood and Bandura [1989a: 408 as cited in Gist et al (1989)] state that self-efficacy refers to the belief in one’s capabilities to mobilize the motivation, cognitive resources, and courses of action needed to meet situational demands. They view self-efficacy as a comprehensive summary or judgment of perceived capability for performing a specific task. How this efficacy judgment is formed in an organisational context could be derived from information provided by the individual, the work task performed and others in the work place that may contribute to the comprehensive assessment of ability.

Bandura (1997) stated that, “efficacy is a generative capability in which cognitive, social, emotional and behavioral sub-skills must be organized and effectively orchestrated to serve innumerable purposes” (p.37). Thus self-efficacy can be described as a person’s estimate of his or her capacity to orchestrate performance on a specific task. Bandura (1997) explained that efficacy beliefs operate as a key factor in a generative system of human competence, hence inferring that different people with similar skills or the same person under different circumstances, may perform poorly, adequately, or extraordinarily, depending on fluctuations in their belief systems of personal efficacy. However, he states that in relation to performance, effective functioning requires both skills and efficacy beliefs to influence performance. Therefore, organisations wishing to improve collective performance will need to tap into an understanding of individual self-efficacy beliefs as a determinant of performance and not only the individual’s level of skill.

Bandura (1997) further distinguishes that one’s perceived self-efficacy is not a measure of the skills that one has, but a belief about what one can do under different sets of conditions with whatever skills one possesses.

Bandura (1997) also identified the impact of self-efficacy on the nature of human agency which, he explained, is grounded on the belief that people can exercise influence over what they do. Bandura (1997) thus contends that beliefs of personal efficacy

constitute the key factor of human agency. In other words, if people do not believe that they have the power to produce results they will not attempt to make things happen. Therefore it is important to explore an individual's concept of self-efficacy and how that interplays with outcomes in terms of performance in an organisational setting. Efficacy beliefs are concerned not only with the exercise of control over action but also with the self-regulation of thought processes, motivation and affective and physiological states (Bandura, 1997).

Bandura (1997) as cited in Chen et al (2001) defined self-efficacy as “ the beliefs in one's capabilities to organize and execute the courses of action required to produce given attainments” (p.3). He saw self-efficacy as being an important component of self-regulation in that it is one of the main determinants of effort allocation intentions [Bandura, (1997), Gist and Mitchell, (1992), Kanfer, (1987)]. Recent research has also found that self-efficacy is related to self-set goals and performance (Stajkovic & Luthans, 1998) and points to the fact that distal (general and stable) individual differences also influence efficacy formation. Because self-efficacy was construed as a more proximal (task and situation specific construct), several researchers have proposed that self-efficacy mediates distal individual differences, such as cognitive ability and conscientiousness and performance [Austin & Klein, (1996), Kanfer, (1990), Philliphs and Gully, (1997) as cited in Chen et al (1998)].

Begue (2005 p. 70) stated that “self-efficacy refers to the term as the feeling of being competent and efficient, it being significantly operant in situations where the individual is faced with a difficult task or situation.” He investigated “belief in a just world” and the impact that it had on self-efficacy. According to Begue (2005), BJW-S (Belief in a just world for the self) was significantly correlated with the feeling that life was purposeful [Begue and Baustounis (2003) as cited in Begue (2003)]. Individuals who believe that what happens to them and to others is in line with their own actions or character, have at their disposal an important regulator involved in the daily management of potentially threatening or destabilizing situations. Organisations have to grasp this aspect of human

agency and the control that people exercise over their own actions especially in adverse scenarios and times of enormous change that businesses face in today's world.

3. Understanding how self-efficacy beliefs are constructed

Holloway and Watson (2002) stated that how self-efficacy information is appraised is a crucial determinant of its influence on perceived self-efficacy. It is important to examine the sources of self-efficacy beliefs, how these beliefs are constructed and how that has an impact on an individual's accomplishments relating to performance outputs.

Bandura (1997) postulated that self-efficacy is constructed from four principal sources of information, viz. performance mastery experiences, vicarious experience for judging capabilities in comparison with performances of others, verbal persuasion and physiological state from which one may partly judge one's capabilities, strength and vulnerability. He saw these as "the product of complex processes of self- persuasion that relies on cognitive processing of diverse sources of efficacy information." (Bandura, 1989, p. 1179). Each of these principles will be elaborated on.

3.1. Performance Mastery experiences:

Information that is relevant for judging self-efficacy is not inherently self instructive (Bandura, 1988). This implies that individuals still need to conduct their own evaluation of what is relevant and what is not. There is a distinction between information that is conveyed by experiences and the information that is selected, weighted and integrated into self-efficacy judgments. Bandura (1988) stated that the most effective way of developing a strong sense of efficacy is through success experiences. He elaborated that performance success builds a strong sense of capability and a resilient sense of self-efficacy requires experiences in overcoming obstacles through perseverant effort. Setbacks and difficulties have a role to play in human pursuit and usually serve a useful purpose in teaching one that success usually requires sustained effort. Holloway (2002) stated that Bandura contends that the most influential sources of self- efficacy information are those based on performance attainment.

3.2. Vicarious experience:

Holloway (2002) states that learning through observation of others or events, relates to a secondary source of efficacy information. He explained that people partly judge their capabilities in comparison with others. When one sees people similar to oneself succeed by sustained effort it raises one's belief about your own capabilities. This is particularly so when the task or activity has been previously perceived as being difficult.

Bandura as cited in Holloway (2002) suggests that appraisals of self-efficacy are especially sensitive to vicarious information under vicarious conditions. Individuals might doubt their capabilities as a result of limited former experience from which they were unable to assess their proficiency. Holloway (2002) reiterates that appropriate modelling influences the formation of self-efficacy and it is therefore more susceptible to change. Modelling can therefore also strengthen your beliefs. Holloway (2002) elaborates that access to proficient models builds competencies for dealing with interpersonal and work situations. Acquiring new skills can therefore also strengthen one's beliefs in one's capabilities.

3.3. Verbal persuasion/ Social persuasion:

Holloway (2002) described that through a process of verbal persuasion, an individual's sense of ability and skill within a given task increases, thereby increasing the individual's self-efficacy expectations. He stated that the effect the persuasive information has on an individual's perceived self-efficacy is also reliant to an extent on the perceived reliability of the persuasive source. If the source is perceived to have in-depth knowledge and experience of judging and assessing the abilities of others in the specific task then that source is trusted more.

Verbal persuasion has also been described as realistic encouragements that lead people to exert greater efforts and they are more likely to bring success than if people are troubled by self doubts (Bandura, 1998). Therefore successful motivators and efficacy

builders do more than convey positive appraisals. In addition to raising people's beliefs in their capabilities, they assign tasks to them in ways that bring success and avoid placing them prematurely in situations where they are likely to fail. This is particularly insightful for use in organizations in terms of the roles Supervisors play in the appraisal process and how tasks are assigned to individuals in order to maximize the possibility of performance attainment.

3.4. Physiological state:

Hollaway (2002) states that efficacy expectancies can also be influenced by the information produced by one's physiological state. He elaborated that individuals anticipate failure when they experience tension and visceral agitation, and they are more likely to expect success in the absence of aversive arousal. Hollaway (2002) further advocates that interventions, which attempt to eradicate negative forms of emotional arousal, can result in equivalent performance improvements.

People therefore partly rely on their body stress in judging their capabilities. They read their emotional arousal and tension as signs of vulnerability to poor performance. Bandura (1982) as cited in Gist et al., (1992) also stated that it is the individual's cognitive appraisal and integration of these experiences that ultimately determine self-efficacy (Gist, 1992).

Elaborating on how self-efficacy is formed stresses the integral link with performance. Since individuals tend to judge their capabilities in comparison to their peers, they tend to only feel competent on a specific task if they have been given feedback on a task. An organisational setting lends itself to situations where the organisation is able to influence aspects such as modeling, creating positive growth experiences or eradicating anxiety before commencing a task and therefore positively influencing performance.

Though it is not the focus of this research to delve into the formation of self-efficacy in individuals in the retail banking environment, the understanding thereof would prove invaluable to organisations should the research support the existence of a positive relationship between self-efficacy and job performance.

4. Related theories of Self-efficacy

Exploring related theories of self-efficacy and understanding where the construct derives from, facilitate one's understanding of how self-efficacy could influence performance effectiveness. Self-efficacy is often referred to in other theories in terms of its influence on goal attainment, attribution and motivation, etc. These theories give credence to the construct and the valuable information that it can predict. The theories reviewed here are those that make a distinct link between self-efficacy and performance and more specifically that of job performance.

4.1. Exercise of agency through goal attainment

Most human behaviour is regulated by forethought, in that people anticipate the consequences of their prospective actions. In this process of forethought individuals set goals for themselves and plan courses of actions likely to produce desired outcomes.

Bandura (1989) postulated that much human behaviour is regulated by forethought embodying goals, and personal goal setting, influenced by self-appraisal of capabilities. The stronger the perceived self-efficacy the higher the goals people set for themselves and the firmer their commitment to them [Locke, Frederick, Lee & Bobko, (1984) as cited in Bandura (1989)].

Spieker and Hinsz (2004) stated that participants who experienced repeated successes set higher personal goals than those only experiencing single success. They stated that self-efficacy was not significantly influenced by a repeated success or failure. They also found a positive correlation of self-efficacy with performance. Their research led to the following findings, in that they found that only personal goals were found to predict task performance and it appeared that the effect of self efficacy on task performance was mediated by the effect personal goals have on task performance. Personal goals were therefore seen as a significant predictor of task performance and to a lesser extent, self-efficacy. They state the possibility that self-efficacy correlated with task performance because personal goals were strongly associated with task performance. In an

organisational setting where goals are pre-determined by business performance indicators one will need more than personal goals and skill to lead to a positive outcome in performance attainment.

Bandura (1988) stated that goals have an important role to play in performance attainment. Specific and challenging goals, lead to better performance than do general goals or no goals at all [Latham and Lee 1986, Locke, Shaw, Saari and Latham 1981 as cited in Bandura (1988)]. Clear production goals increase productivity. Goals in terms of self-efficacy, do not only guide and motivate performance, they also help build the belief of people in their capabilities. Without standards against which to measure performance, people have little basis for judging how they are doing or evaluating their capabilities. According to Bandura and Schunk (1981) sub-goals serve this purpose as well and therefore success in attaining challenging sub-goals increase people's self-beliefs in their capabilities.

4.2. Exercise of human agency through cognition

Bandura (1989) through his model on the nature of human agency (the conceptual model of triadic-reciprocal causation) stated that the fact that individuals have the capacity to exercise control over their thought processes, motivation and action is a distinctly human characteristic. He iterated that because judgement and actions are partly self-determined, people could effect change in themselves and their situations through their own efforts. They can thus determine their outcomes.

Bandura (1986) cited in Bandura (1989) explained that Social Cognitive Theory subscribes to a model of emergent interactive agency, persons are neither autonomous agents nor simply mechanical conveyers of animating environmental influences instead, and they make causal contribution to their own motivations and actions. Bandura (1989) explains that the model of triadic reciprocal causation describes that action, cognitive, affective and other personal factors and environmental events all operate as interacting determinants. "Any account of the determinants of human action therefore include self generated influences as a contributing factor" (Bandura, 1989, p. 1175).

Bandura (1989) further postulates, “among the mechanisms of human agency, none is more central or pervasive than people’s beliefs about their capabilities to exercise control over events that affect their lives” (p. 1175). Self-efficacy beliefs function as an important set of proximal determinants of human motivation, affect and action, they operate on action through motivational, cognitive and affective intervening processes (Bandura, 1989, p.1175).

He stated that self-efficacy beliefs affect thought patterns that may be self-aiding or self-hindering. Bandura (1989) stated, “a major function of thought is to enable people to predict the occurrence of events and to create the means for exercising control over those that affect their daily lives” (p. 1176). Bandura (1989) emphasized the influence of the cognitive process on the formation of the belief system. He stated that “in ferreting out predictive rules (cognitive processes of multidimensional information that contains many ambiguities and uncertainties) people must draw on their state of self-knowledge to generate hypotheses about predictive factors to weight and integrate them into composite rules, to test their judgments against outcome’s information and to remember notions they had tested and how well they worked (Bandura, 1989, p.1176). He further stated that it requires a strong sense of self-efficacy to remain task-orientated in the face of judgmental failures. People who believe strongly in their sense of self-efficacy remain highly efficient in their analytical thinking in complex decision-making situations, whereas those who are plagued by self-doubts are erratic in their analytical thinking [Bandura, Wood (1989) as cited in Bandura (1989)]. Quality of analytical thinking therefore affects performance accomplishments. Cervone (2000) supported the importance of cognition in efficacy formation in that he stated that people’s perceptions of their capabilities for performance, or self-efficacy perceptions, are a cognitive mechanism underlying behavioural change.

Perceived self-efficacy and cognitive simulation affect each other bi-directionally. A high sense of efficacy fosters cognitive constructions of effective actions and cognitive iterations of efficacious courses of action strengthen self-perceptions of efficacy [Bandura & Adams, 1977, Kazdin, 1979 as cited in Bandura (1989)].

4.3. Self-efficacy and the attribution process

Gist and Mitchell (1992) stated that one of the antecedent processes involved in forming efficacy judgments has been described as a causal attribution process. The resulting attributions become cues for subsequent self-efficacy. Some of the determinants of self-efficacy are well-recognized attributional causes (e.g. effort, ability, luck, task difficulty, etc), Gist and Mitchell (1992). They describe attributions as assessments about past behaviour whereas self-efficacy pertains to future performance capability [Silver et al. (1991 as cited in Gist and Mitchell (1992)]. Gist further states that “ the factors as singled out by attribution theory serve as conveyors of efficacy-related information that influence performance attainments mainly by altering people’s beliefs in their efficacy” [(Bandura, 1988a, 38) as cited in (Gist, 1992, p.193)].

4.4. Self efficacy and the motivational process

People’s self efficacy beliefs determine their level of motivation as reflected in how much effort they will exert in an endeavor and how long they will persevere in the face of obstacles. The stronger the belief in their capabilities, the greater and more persistent are their efforts (Bandura, 1988a as cited in Bandura, 1989). Those that have strong beliefs in their capabilities exert greater effort to master the challenge (Bandura and Cervone, 1983 as cited in Bandura, 1989).

Bandura (1989) stated that there is a growing body of evidence that human attainments and positive well being require an optimistic sense of self-efficacy. People must therefore have a robust sense of self-efficacy to sustain the perseverant effort needed to succeed. The acquisition of knowledge and competencies usually requires sustained effort in the face of difficulties and setbacks and it is resiliency of the self-belief that counts (Bandura, 1989, p.1176)

4.5. Self-efficacy a triad assessment

Gist (1992, 1989 & 1990) described a model of self-efficacy – performance relationship and stated that three types of performance assessment appear to take place. He stated that first the individual analyses the task requirements, what it takes to perform at a specific level. A second analysis then takes place, an efficacy judgment: an attribution analysis of experience, why did a particular level of performance occur? By performing the above analysis the individual gains a view of what it will take to complete the task in terms of ability and motivation for the task. The third assessment is the examination of the self and setting by which the individual assesses the availability of resources and constraints for performing the task at various levels. Bandura (1988) as cited in Gist (1992) stated that self-appraisal is a process in which different sources of information are weighted and integrated to form self-efficacy.

4.6. Self-efficacy and generalizability

Self-efficacy is a dynamic construct. It can be associated with many other variables in the measurement of performance like an individual's cognitive ability, level of skill, years of experience, motivational levels, etc. That the relationship exists between self-efficacy and performance is still beneficial to further study in a different organisational setting. Bandura (1982) as cited in Chen et al (1998) maintained that although self-efficacy is task specific it can also be generative, i.e. self-efficacy with respect to one task may be generalized to another task. It therefore allows for a broader application of self-efficacy because of the notion of generativeness. Research can therefore be conducted on this relationship in an organisational setting with respect to performance assuming that the tasks related to the overall performance output are interrelated. Gist (1987) purported this view, in that he stated that the only condition of the application is that the tasks in question are more or less interrelated.

5. Previous research conducted, linking self-efficacy to performance

In order for organisations to function more effectively individuals need to meet and exceed their performance objectives. Although there are differences between the various

research studies, they tend to point towards a relationship between self-efficacy and job performance. The relationship between self-efficacy and performance, in various task domains has been proven in past research. As alluded above, although self-efficacy is task specific it can be generalized across tasks. One therefore needs to test the generalisability of self-efficacy in various task settings in organisations.

5.1. Self- efficacy in relation to performance generally

Bandura (1997) pointed to the fact that self-efficacy beliefs are not simply inert predictors of future performance but that there is evidence that demonstrates that efficacy beliefs affect thought processes, the level of persistency of motivation, and affective states, all of which are important contributors to the types of performances that are realized.

Self-efficacy emanates from the Social Cognitive theory posited by Bandura. Bandura (1988) stated that in order for individuals to experience “success” it required not only skills but also a strong belief in one’s capabilities to exercise control over events to accomplish desired goals. He stated that people with the same skills might perform poorly, adequately or extraordinarily depending on whether their beliefs of efficacy enhance or impair their motivation and problem solving efforts. People with a strong sense of efficacy focus their attention on how to master tasks (Bandura, 1988). In executing their roles, people have to make decisions about what courses of action to pursue and how long to continue what they have undertaken, such decisions are partly determined by judgments of self-efficacy.

Bouffard-Bouchard (1990) investigated the influence of self-efficacy judgments on cognitive performance when subjects had equivalent knowledge and experience in the performance domain by inducing high or low self-efficacy perceptions amongst Canadian college students. Their results indicated that students in the high self-efficacy group had determined higher achievement goals than those in the low self-efficacy group. According to Bandura (1986) as cited in Bouffard- Bouchard (1990) when a person aspires to a high achievement goal, they are more apt to exert the self-monitoring and to sustain the efforts required to reach a satisfactory solution. Despite their findings that

self-efficacy was a viable construct when predicting cognitive performance we want to explore performance attainment in an organisational setting without necessarily factoring in cognitive ability. One would assume that if an individual has been selected to a role, that the selection was based on both cognitive and behavioral competencies and therefore those could be controlled in an organisational setting.

Cited in Bouffard- Bouchard (1990) many researchers investigated the construct self-efficacy and they argue that self-efficacy predicts performance in such diverse areas such as assertiveness training, Lee (1983) and Kazdin (1979); adherence to exercise program; Desharna, Bouillon and Godin (1986); athletics, Barling and Abel (1983); pain tolerance and control, Manning and Wright (1983); sales performance, Barling and Beattie, (1983). The findings of their study revealed that those who had received more positive feedback judged themselves to be more efficacious than those who made their self- appraisals following negative feedback (Bouffard- Bouchard, 1990). This attests to the role of social persuasion in efficacy formation as discussed previously in terms of how self-efficacy is formed. The study of Bouffard-Bouchard (1990) extended the previous findings on the relation between self-efficacy and performance on different types of tasks. They show that despite the existence of requisite skills, in an individual's repertoire, perceived self-efficacy operates partially independently of those skills. They stated that it was important for future research to analyze more closely, the relation between particular knowledge domains and perceived efficacy levels, (Bouffard- Bouchard, 1990). This is a crucial determinant for research since individuals invariably differ in terms of skills levels in relation to performance attainment and therefore focus on this as a variable could be underplayed.

Gist and Mitchell (1992) showed that self-efficacy influenced both goal attainment level and goal commitment [Locke et al 1984, Taylor et al, 1984 as cited in Gist and Mitchell, (1992)]. This process occurs by people processing, weighing and integrating diverse sources of information concerning their capabilities, regulating their behavioural choices and effort expenditure accordingly [Klein 1989 as cited in Gist and Mitchell (1992)]. Performance attainment and goal - setting is often spoken about interchangeably.

It is important to explore the relationship self-efficacy has to goals and how that in turn influences performance attainment to understand the influence on performance generally.

Spieker and Hinsz (2004) explored the influence of repeated successes and failure of goal attainment on personal goals and self-efficacy. They indicated, through a study done by Locke and Latham (2002) that goals that are specific and challenging contribute to higher levels of task performance if the goal can be attained and if the task performer is committed to achieving the goal. Stajkovic and Luthan (1998) as cited in Spieker and Hinsz (2004) also found that self-efficacy or the belief of individuals about their ability to perform the necessary actions for a specific task has been found to influence task performance. Research has further shown that a person's level of self-efficacy may influence how persistent he or she is and the amount of effort he/she is willing to invest in a task, in which case feelings of higher self-efficacy may lead to greater task performance [Eccles and Wigfield, (2002) as cited in Spieker and Hinsz (2002)].

Holloway et al (2002) referred to past studies done by Bandura in relation to snake phobias. She stated that the treatments made use of vicarious experience where learning is based on upon the observation of others, often termed modeling. The findings suggested that self-efficacy expectancies and actual performance accomplishments were higher among those subjects who had on opportunity to learn by observing others. This research implied that performance accomplishments provided a source of self-efficacy expectancy information. Self-efficacy judgments can also be responsible for determining the amount of effort an individual will expend and the length such effort will endure in response to the problems and adverse encounters. An individual's persistence and efforts will be dependent on their level of perceived self-efficacy. This study although conducted in relation to snake phobias has important value especially in terms of how one conquers fears when facing adversity. If self-efficacy is deemed to be an important construct in the work environment then investigating the control of fear and facing adversity and its effect on self-efficacy formation, and how that in turn affects performance, could also be of great value to organisations.

5.2. Explanation of individual job performance

Individual job performance is intricately linked to organisational performance. According to the Wikipedia definition, organisational performance is defined as actual output or results of an organisation as measured against intended outputs, goals or objectives. There is often a powerful connection between organisational expectations, goals, and outcomes and individual goals and objectives and reinforces the impact that individual performance has on organisational performance outcomes if strategically aligned. In organisations, performance management systems usually define the strategic goals of the organisation and aligns it to individual accountability by means of a performance agreement. Sparkman (1998) stated that performance measurement communicates and reinforces the critical linkages between the organisation's strategic intent, individual performance, and organisational performance.

Bandura (2000) stated that human behaviour is extensively motivated by cognitive self-influence and that the belief of personal efficacy is one of the more focal mechanisms of self-influence. Bandura (2000) reinforces that perceived self-efficacy not only affects human functioning directly but also indirectly through its impact on other determinants like goal aspirations, incentives and disincentives rooted in outcome expectations, and perceived impediments and opportunity structures. Bandura (2000) further states that efficacy beliefs affects self-motivation through their impact on goals and aspirations and in turn influences an individual's choice of goals, the effort invested in the goal challenge and how long to persevere. Successful job performance is determined through the goal setting process in that performance attainment is defined in a performance agreement with specific goals and objectives for individuals to attain. The response to the challenge set in terms of meeting the performance objectives could be influenced by the individual's belief of personal efficacy. Previous research detailed below will explore this linkage more specifically in other organisational settings.

5.3. Self-efficacy in relation to job performance

Lindsley et al. (1995) draws on the studies of Bandura's work (1977,1982,1986,1991), in terms of the relationship between self-efficacy and performance as well as the work of Gist and Mitchell (1992). Lindsley et al. (1995) states that the conviction that one can successfully execute the required behavior has been shown to have a positive effect on performance [Wood and Bandura, 1989 as cited in Lindsley et al (1995)]. They purport that the efficacy- performance relationship is a positive cyclic one in that performance affects self –efficacy which in turn affects performance and so on. They discussed the cyclic nature of the self-efficacy performance relationship, which could result in a downward (decreasing self-efficacy and performance) relationship or an upward (increasing self-efficacy and performance) spiral. They state that “despite the amplifying nature of the efficacy performance relationship, almost all theory and research at the individual level of analysis has been focused on the determinants of self-efficacy and on how to improve self-efficacy and motivation and consequently, performance” (Lindsley et al, 1995, p.646). This study is important to research in the sense that there is a dual interplay between self-efficacy and performance and vice versa. No matter which variable is given more importance it supports the fact that there is a relationship between the two constructs and that it should be explored in more depth in an organisational setting.

Lindsley et al. (1995) cites the work of Sutton (1990) where he states that more attention has been devoted to understanding the deviation –amplifying relationships connected to organisational failure. Research on organisational failure generally supports the portrayal of a collapse as a downward spiral Hambrick & Daveni, (1988) as cited in Lindsley et al. (1995). They state that self-efficacy has not been explored at this macro level. Lindsley et al. (1995) states that although most of the research has been done on and individual level of self-efficacy, there is indirect evidence that efficacy performance spirals can occur at the group and organisational levels of analysis.

Prussia et al. (1996) examined the effects of self-leadership skills and self-efficacy perceptions on performance. The findings yielded that self-leadership strategies had a

significant effect on self-efficacy evaluations and self-efficacy directly affected performance. They predicted that a positive relationship was supported between self-efficacy and performance. Positive self-efficacy perceptions were significantly related to subsequent performance.

Harrison et al. (1997) cited research done by (Lindsley, Brass & Thomas, 1995; Mitchell, Hopper, Daniels, George-Falvy & James, 1994 and Saks, 1995); where they saw the self-efficacy construct as the primary determinant of task-motivated behavior. Harrison et al. (1997) cites other studies in which self-efficacy was related to goal-setting theory, work in self regulation with respect to leadership, etc. and therefore postulates that self-efficacy has a high degree of importance as a basic element of individual behaviour and attitudes in the work environment. They stated that the self-efficacy construct has seldom been tested in the job environment. Their findings were consistent with Bandura's theory, of self-efficacy. They felt that the study went beyond the previous tests to assess the relationship between perceptions of self-efficacy and performance on the job. In this respect they felt that this study lent support to the applications of Bandura's theory to the work environment. This lends support to the fact that irrespective of the extraneous variables that affect self-efficacy, the research has been conducted in a work environment, albeit not extensively and therefore needs further exploration.

Stajkovic and Luthan (1998) conducted a meta-analysis of self-efficacy and work related performance. Their findings related to the fact that an increase in performance due to self-efficacy was more significant than that of goal setting, feedback interventions or organisational behaviour modification. They indicate that these comparisons appear particularly important because, historically, it has proven difficult to predict objective behavioral outcomes from self-reports (Stajkovic and Luthan, 1998). They state that self-efficacy theory has been eagerly embraced by management, scholars and even practitioners because of the potential of its applicability to work-related performances and organisational pursuits (Stajkovic and Luthan, 1998). They indicated that the nature and the scope of the studies included in this meta-analysis support this development. They indicate two general findings, viz, firstly that overall self-efficacy was found to be

positively and strongly related to work-related performance and secondly given the scope of this meta-analysis, and the extensive theoretical foundation of the whole research stream (Bandura, 1986, 1997b) their findings represents something that usually skeptical practicing professionals may rely on with a reasonable amount of confidence, Stajkovic and Luthan (1998).

Gist and Mitchell (1992) make reference to Barling & Beattie (1983) in which self-efficacy is associated with work-related performance in the life assurance sales environment. They also indicate that when self-efficacy is enhanced, attendant increases in performance are noted [Gist, 1989 and Gist et al, 1989 as cited in Gist & Mitchell, 1992]. These findings demonstrate important findings about self-efficacy predicting work performance. This is perhaps the first study done in an organisational setting focusing on a sales environment, which could do with more exploration. If sales performance is critical to organisational success then it is important that one explore the factors that influence sales performance. This research could prove to be invaluable in terms of orchestrating organisational performance.

6. Limitations of previous research and implications for future research

Despite the fact that there is a vast body of research that has attempted to validate Bandura's model of self-efficacy, Harrison et al (1997) report several limitations in the empirical studies conducted to date.

Firstly, much of the research has been conducted in a laboratory setting. Many samples consisted of student performance indicators instead of organisational performance. Harrison et al (1997) cite Gist (1987) in terms of stressing the need for more detailed examinations of self-efficacy and its linkages to performance in organisational settings. Although some studies have indicated that self-efficacy is generalizable to other settings, future empirical research is required to lend credence to these findings.

Secondly there is an awareness that the relationship between self-efficacy and work-related performance is moderated by task complexity and locus of performance (Harrison, et al 1997). The identification of these two moderators particularly relates to organisational settings because it appears that task complexity and situational factors present in work environments tend to weaken the relationship between self-efficacy and performance (Harrison, et al 1997). These factors, that is task complexity and locus of performance, should be taken into account in future research settings.

Stajkovic and Luthan (1998) state that in conducting future research, managers should provide accurate descriptions of the tasks employees are asked to perform. They explain that unless the definitions of the task and task circumstances are provided in a clear and concise manner, employees may not be able to accurately assess the complex task demands, may not fully know what they have to do, and thus will lack accurate information for regulating their effort. As a result, this may lead employees to a faulty assessment of their perceived efficacy. Therefore in looking at future performance it is important that if the criteria on which performance attainment is evaluated are not sufficiently specific we might not be able to control how individuals evaluate their self-efficacy.

Employees should also be instructed as to what technological means are necessary for successful performance, and how to use those means. Stajkovic and Luthan (1998) elaborate that complex tasks usually involve several possible paths to ensure successful execution and therefore managers should ensure the appropriateness of the selected means to produce performance results. They indicate that even the strongest employee belief that he or she can execute the task in question may not lead to successful performance, which can in turn result in unjustifiably lowered personal efficacy.

Stajkovic and Luthan (1998) advise that the work environment should be free from undesirable factors such as physical distractions that may cause either digression in information processing, behavioral acts, or both. They indicate that if physical distractions are present, they may increase thoughts of failure and amount of stress, reduce coping

mechanisms, all of which can reduce the magnitude of the relationship between self-efficacy and performance. This is an important factor in terms of physiological state on the formation of self-efficacy and particularly difficult to control in the work environment. In organisations that form part of the highly competitive business world the impact of mergers and acquisitions, constant restructuring and re-engineering could cause an inordinate amount of stress in employees. In an organisational setting the impact of these processes could lead to physical distractions and thereby impact on the self-efficacy formation of individuals. This could also be another avenue to explore in terms of future research.

If one examines the changes in the world of work today, then many companies, in order to keep up with global competitiveness go through many phases of re-organizing, down-sizing, right sizing and basic restructuring. The impact on the individual in the organisation is often catastrophic. Strengthening people's beliefs in their capabilities or providing an environment in which people's self-efficacy beliefs can be enhanced can only positively impact on the organisational functioning. Therefore any future research that supports the relationship between the two constructs, self-efficacy and job performance will add great value to the body of research already conducted.

7. Expected contribution of this research to the body of knowledge

An extensive review of the literature indicates that little research has been conducted in an organisational setting and especially within a financial services environment. This study will be conducted on a sample of retail bankers, which is significantly different to the study into life insurance agents referred to in the study by Barling and Beattie (1983). Retail bankers sell banking products ranging from investment products to lending facilities for home loans and cars, amongst others, while the life insurance agents sell insurance products. The demand for banking services and facilities could be assumed to be more than the demand for insurance products. One could therefore extrapolate that the parameters that influence the ability of the retail bankers to perform (sell a product) versus the parameters of the life insurance agents, makes banking services more in demand and possibly more complex.

Exploring research within the financial services environment could prove to be invaluable since most financial service organisations play a fundamental role in the economy of the country. Continued and consistent performance of the financial service sector has a critical influence on economic indicators. If organisations do not perform and possibly have to consider foreclosure this in turn affects unemployment ratios that interplay with other economic indicators of the country. Organisational performance also influences the income ratios of families in terms of their earning potential and additional income in terms of incentives. This also has a further effect on the country's economy. One would therefore want to argue that organisational performance is critical for the continued existence of a company and this emphasizes why further exploration and research within financial services proves to be invaluable.

The research will also possibly add to a body of knowledge about the world of work as opposed to merely being another empirical study in a laboratory environment. While most of the research relating to self-efficacy and performance has been conducted in other settings and not necessarily in organisations, organisational performance and the self-efficacy relationship needs a more thorough review. To my knowledge no research has been conducted in a banking environment in South Africa and therefore it would be of great value to this sector since they are under constant pressure to perform better than their competitors.

CHAPTER 2 – METHOD

The first part of this chapter covers the design of the research and the formulation of the research question. The latter section of the chapter covers the research method in terms of the research process, i.e. the data sampling and collection, instruments employed in the research, etc. In conclusion it covers the limitations of the research in terms of any shortcomings and gaps in the data.

2.1. Research design

Barling and Beattie's (1983) study showed that self-efficacy perceptions were strongly correlated to sales performance among life insurance agents. Similarly, Taylor, Locke, Lee & Gist (1984) noted that self-efficacy was directly related to research productivity among university faculty members. Gist (1987) stated that these correlational studies indicated a need for more detailed examination of self-efficacy and the links between it and task performance in organisational settings. This need informed the decision to conduct research into the impact of self-efficacy on job performance in a banking environment where the performance of retail bankers is crucial to the performance of the organisation as a whole.

The empirical question upon which this research was anchored was to determine whether or not there was a relationship between self-efficacy and job performance and to describe the nature of the relationship. The research question sought to show that a positive relationship exists between self-efficacy and job performance - positing that the higher the level of an individual's self-efficacy the higher his or her performance rating.

The research undertaken was descriptive in nature in that it made observations and described what was observed (Babbie & Mouton, 2002). The research aimed to describe the phenomena of self-efficacy and job performance in the retail banking environment by examining the relationship between the two variables. The first variable self-efficacy examined how efficacious the retail bankers felt about their ability to perform as retail

bankers which was drawn from their job description and performance objectives. The second variable was a measure of the retail banker's performance in relation to the performance targets set for them for the year.

The research was empirical, which involved the collection of new data (primary data) in order to analyze its relation to existing data (secondary data), Babbie & Mouton (2002). The primary approach of the research was quantitative in that a self-efficacy questionnaire was used to obtain a self-efficacy score for the retail bankers. The questionnaire was designed to assess the retail bankers level of self-efficacy relating to their ability to meet their performance targets by selling banking products, maintaining their product knowledge and servicing their clients. The self-efficacy questionnaire used in this research can be found in Appendix 1. To evaluate the other variable, job performance, data was collected from the organisation in the form of the mid-year performance rating that was obtained from the organisation's central human resources database after the performance appraisals were conducted. An explanation of the rating scale used to evaluate the retail bankers performance can be found in Appendix 2.

2.2. Research Method

2.2.1 Units of analysis

According to (Babbie & Mouton, 2002) a unit of analysis describes what object, phenomenon or entity the researcher intends investigating. They further extrapolate that units of analysis are those things we examine in order to construct summary descriptions of all such units and to explain the differences among them. In this research scenario the unit of analysis was the retail banker who was employed within the retail banking sector for a period of more than six months. This restriction ensured that a minimum of one performance review had been conducted on each participant. Babbie and Mouton (2002) also point to the fact that descriptive studies with individuals as the units of analysis typically aim to describe the population. The population of this study therefore comprised retail bankers in the retail banking environment who had been employed for more than six months in the organisation.

The aim of the research was to describe whether, in the population of retail bankers, there was a trend that positively associated self-efficacy with job performance. The research therefore aimed to find support for a positive relationship between self-efficacy and job performance within this organisational setting. The organisational setting reflected a sales-driven environment in which retail bankers were required to focus on the sale of banking products and promote client retention.

2.2.2. Instruments of measurement

Bandura (2001) indicated that a “one-measure-fits-all-approach” has limited explanatory and predictive value because the items in the all-purpose measure might have little relevance to the selected domain of functioning of the selected sample. In using a general measure of self-efficacy Bandura (2001) indicated that it left much ambiguity about what was being measured or the level of task and situational demands that must be managed. Therefore the scale used in this research process was adapted to understand the specific task and situational demands of the retail bankers by evaluating their specific performance contracts in order to understand their performance demands. Bandura (2001) referred to several measures of self-efficacy in terms of teacher self-efficacy, collective self-efficacy, problem solving efficacy, etc. He stated that people differ in the areas in which they cultivate their efficacy and in the levels in which they develop it. For example a business executive may have a high sense of organisational efficacy but a low parenting efficacy. Therefore it was important to use the previously developed scales as a point of reference for constructing the questionnaire for the retail bankers. Bandura (2001) stated that the construction of sound efficacy scales relied on a good conceptual analysis of the relevant domain of functioning and that knowledge of the activity domain specifies which aspects of personal efficacy should be measured. The measurement questionnaire for the population of retail bankers in this study was thus designed to understand their specific environment in relation to their performance criteria. This included their ability to sell banking products, meet sales targets, how efficacious they felt about their product knowledge, problem solving ability and the ability to deliver client service. Based on Bandura’s (2001) guideline for constructing self-efficacy scales, a 7-point Likert-type response questionnaire, consisting of 33 items, phrased in terms of “can do” items was

designed. The questionnaire comprised of items that best reflected the perceived capability, related to the domain of functioning of the retail bankers. In terms of giving an indication of high versus low self-efficacy scores, the highest score that could be attained was 231 and the lowest score was 33, the midpoint score thus being 132.

Cronbach's alpha was used to measure the internal consistency of the retail banker's self-efficacy questionnaire. The internal consistency of the scale was measured to estimate the degree to which each item in the scale correlates with the other items (Babbie & Mouton, 2002). The scale yielded a Cronbach's alpha measure of 0.95, which indicated that the questionnaire was considered a reliable measure of self-efficacy and seen to be internally consistent.

The other key variable in the research was the measurement of performance, in the form of a performance rating which is the mid-year assessment review of the retail bankers, which was obtained from the organisation. The performance rating was simply a measure that indicated whether they were performing or not and used a rating scale of 1-5. A rating of 2.5 – 3.5 reflected that the bankers were meeting most to all of their agreed performance standards of the organisation. This was an indication that the retail bankers were performing at the required competence level, however not all the outcomes would have been met. Some of the outcomes may have been exceeded, but on balance, overall performance was below target. Optimum performance for the organisation was at a rating of 3.5 – 4.0 and this indicated that all outcomes had been met and some exceeded, thus the retail bankers would have achieved all that would have been expected from them. The benchmark for meeting performance standards was thus set very high. No intervention was initiated with the managers rating the retail bankers in that they were unaware that the rating was to be correlated to the self-efficacy scores. They were therefore not influenced in the way in which they rated the retail bankers. The performance contract was used as a basis to inform which dimensions needed to be included in the self-efficacy questionnaire. The performance contract was also the document used to assess the retail banker's mid-year performance and therefore the underlying dimensions of performance were thought to be similar.

2.2.3. Sample design and sampling methods

The survey was distributed to the retail bankers in the Western Cape region that spanned a north and south region. The regions are demographically distinct since the south region often represents the more in-lying areas close to the city centre and the north region, the out-lying areas. This could have important implications for the study since the retail bankers that service these markets have other factors that influence their performance. Thus the areas situated closer to the city centres often produce better performance results than the out-lying or more rural areas. The retail bankers who had been in the organisation for more than six months, and were thus eligible to participate in the study, amounted to 195. Participation in the research was voluntary and confidentiality was ensured. Respondents were asked to identify themselves by name so that the results of the scale could be compared to the data from their performance ratings. A total of 80 respondents completed the self-efficacy scale. However, 23 of the questionnaires could not be utilised for the purposes of this study as the participants in question had not received a performance rating for reasons ranging from maternity leave to being on training for an extensive period. This represents a 29% response rate.

According to Terre Blanche & Durrheim (1999) the rule of thumb for a sampling ratio is 30% for small populations of approximately 1000. They also indicated that most researchers followed sampling conventions when deciding on sample size and therefore selected a similar sampling ratio as other research in the field. Ballentine (1998) referred to a sample of 35.5%, which amounted to 70 respondents in the life insurance industry, while Barrick, Mount & Strauss (1993) referred to a sample of 91 sales representatives in a large appliance manufacturing organisation. Bouffard – Bouchard (1990) used a sample of 54 college students to study the influence of self -efficacy on performance in a cognitive task. Based on a comparison with these studies the sample size appeared to be adequate.

Of the 57 retail bankers who responded, 65% were female and 35% male and 56% fell into the racial category of Black (in terms of Black, Asian or Coloured which is the descriptors the organisation used to define race). The sample was also evenly split per

region in that there 49% was from the north region. According to relevant years of experience, 19% of the sample had more than 5 years experience within the current organization, 32% fell into the category of 2-5 years experience and 29% had between 6 months to 2 years of experience with the bank.

2.2.4 Data collection

The self-efficacy questionnaire designed for the retail banking environment was sent to the list of bankers identified as eligible to participate in the survey. The questionnaire was e-mailed to them and they could respond via e-mail or fax. A detailed e-mail requesting permission to conduct the study in the region was first sent to the regional managers of the north and south region. A copy of the e-mail can be found in Appendix 3. The e-mail described the research process and indicated that access to the self-efficacy scores of the retail bankers and the performance would be held strictly confidential. Assurance was given to the organisation that the individual results of the questionnaire would not be shared with any of the individuals nor their direct managers to maintain the strictest confidentiality. The e-mail also requested permission to access the human resource database so that the mid-year performance ratings for the retail bankers could be drawn. Once permission was granted to conduct the research an e-mail was sent to the cluster managers so that they could disseminate the questionnaire to retail bankers in their specific branches. The branch managers were the one's that rated the retail bankers and they were therefore removed from the purpose of the study, in terms of the intent of what the performance rating was to be used for. Initial attempts to elicit a response using this method was very poor and the retail bankers were later e-mailed directly to get a better response rate.

2.2.5. Data Analysis

Data analysis is aimed at transforming information (data) into an answer to the original research question (Terre Blanche & Durrheim, 1999). This research made use of quantitative techniques, utilising statistical analyses to make sense of the data. Statistica version 7 was used to run the correlation matrices for self-efficacy and performance as

well as for analyzing the underlying dimensions of ability to sell, product knowledge, client service and their relationship with performance.

The raw scores for each of the respondents were entered into a table in order to arrive at a summed score for self-efficacy from the questionnaire. This summed score for self-efficacy was correlated to the performance rating of the respondent in order to ascertain if there was a positive relationship between the two variables. The correlational analysis used was Spearman's rank order correlation since the variables being correlated in this research were continuous versus discrete variables and the Spearman's R yielded the best statistical result for these kind of variables.

The data was displayed by means of frequency tables in order to understand the sample in terms of regional representation, gender, race, age and years of experience. The frequency distribution for both the self-efficacy scores and performance ratings was explained in terms of the mean and standard deviation. This information was displayed graphically by means of histograms and scatterplot diagrams.

Correlation analyses, in terms of Spearman's rank order co-efficient, was conducted to ascertain the correlation co-efficient by comparing the overall self-efficacy score to the performance rating. Correlation matrices were also conducted on the three sub-sections of the scale in order to ascertain whether sales, product knowledge or client service had a stronger relationship with that of performance. The underlying assumption of the self-efficacy questionnaire was based on the fact that retail bankers needed to be found self-efficacious to sell banking products, they needed to understand their clients and know how to promote client retention. The basis for their ability to sell was also dependent on their product knowledge. It was important to understand whether any of these underlying dimensions affected the correlation co-efficient to a lesser or greater extent. Graphic displays of the results, in terms of scatterplot diagrams and the box and whisker plots, were used to clearly explain the relationship between the two variables.

No further statistical analysis was conducted since the aim of the research was to find a positive correlation and to identify the strength of the relationship between the two variables. The aim of the research was thus to find and validate the reason for the relationship found and identify the factors that could possibly have influenced the nature of the relationship.

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CHAPTER 3- RESULTS

This chapter of the research paper documents the results of the research and covers the sample profiles, the presentation of results, a discussion of the main trends and patterns in the data and an interpretation of the main findings.

3.1. Sample profile

Table 1

Descriptive Statistics

Region	Count	Cumulative Count	%
North =1	28	28	49.12
South =2	29	57	50.88
Gender	Count	Cumulative Count	%
Male =1	20	20	35.09
Female=2	37	57	64.91
Age	Count	Cumulative Count	%
20-29= 1	26	26	45.61
30-39= 2	15	41	26.32
40-49= 3	12	53	21.05
50-59= 4	4	57	7.02
Race	Count	Cumulative Count	%
BAC = 1	32	32	56.14
White = 2	25	57	43.86
Experience	Count	Cumulative Count	%
>5 = 1	11	11	19.29
2-5 = 2	18	29	31.58
<2 = 3	28	57	49.12

The results in Table 1 gives one an indication of the number of respondents broken down into regional representation, gender, age, race and years of experience. The results indicate that the sample was equally representative according to region, slightly more females responded than males and more black participants (in terms of black, asian and coloured) responded. In terms of age, 41 participants were under the age of 39 and in terms of experience only 11 had more than 5 years experience in the organisation. The

mean for years of experience was 2.29, indicating that not many of the respondents had been with the organization for very long.

3.2. Presentation of results

Table 2

Representation of the mean and standard deviation for self-efficacy and performance

Category	Mean	SD	Minimum	Maximum	Sample
Self-efficacy	181.44	21.85	134.00	212.0	57
Performance	3.079	0.28	2.50	3.70	57

Table 2 represents a description of the sample of self-efficacy scores and performance ratings in terms of the mean and standard deviation. The mean for self - efficacy of 181.44 indicates that the average score for self - efficacy was quite high considering the maximum that one could score for self-efficacy is 231. The middle-range score that one could attain, in terms of the questionnaire, was 132 and the lowest score of the sample attained a higher value at 134. In terms of performance, the average score was 3.08 with a standard deviation of 0,28. The range for performance was very narrow and therefore the scores clustered around the mean. The organisation's rating scale indicates that the range for meeting performance is between 3.5 and 4.0, which meant that not many of the respondents fell into the category of high performance.

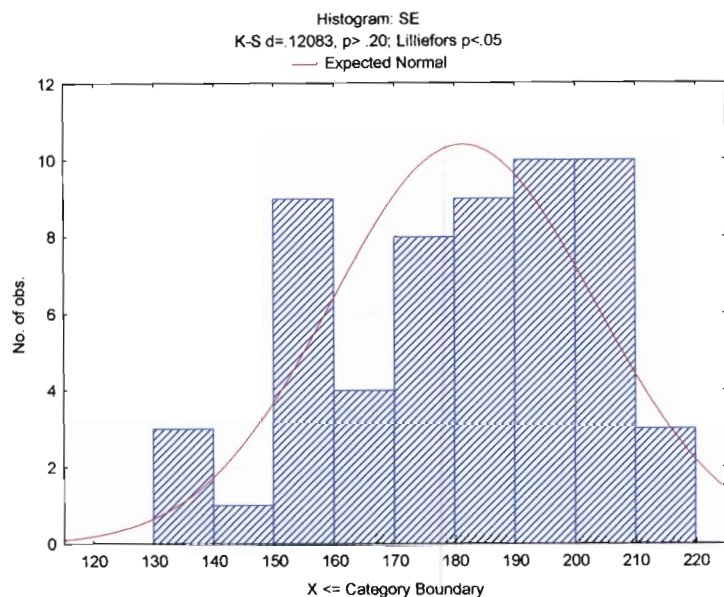


Figure 1 Histogram representing self-efficacy scores

The histogram depicts the spread of the self-efficacy responses and how it distributes around the normal distribution curve. In terms of the graphical representation of self-efficacy, it leans slightly towards a negative skew and is unimodal. The scores clearly represent the fact that the retail bankers rated themselves quite highly on self-efficacy.

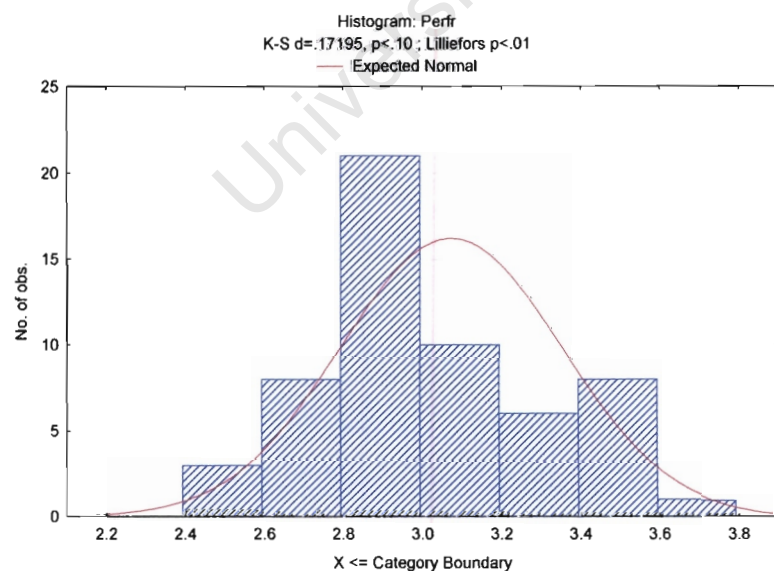


Figure 2 Histogram representing performance ratings

The histogram depicts the spread of scores for performance rating in terms of a normal distribution curve that appears to be symmetrical. It clearly illustrates that the performance ratings are clustered around the 2.6 to 3.2 rating. One can also see that very few respondents attained a rating above 3.5 that would indicate that they were meeting some but not all of their performance objectives. The results of the performance ratings therefore does not give one an indication that collectively the retail bankers in this sample are performing.

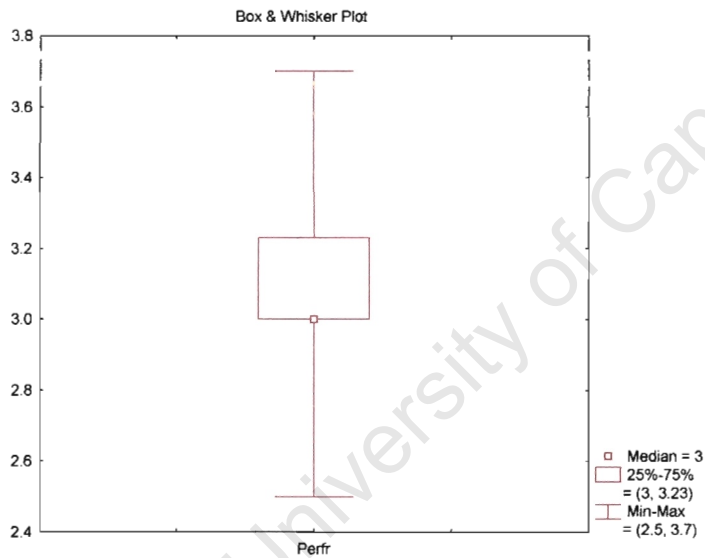


Figure 3 Box and whisker plots of performance ratings

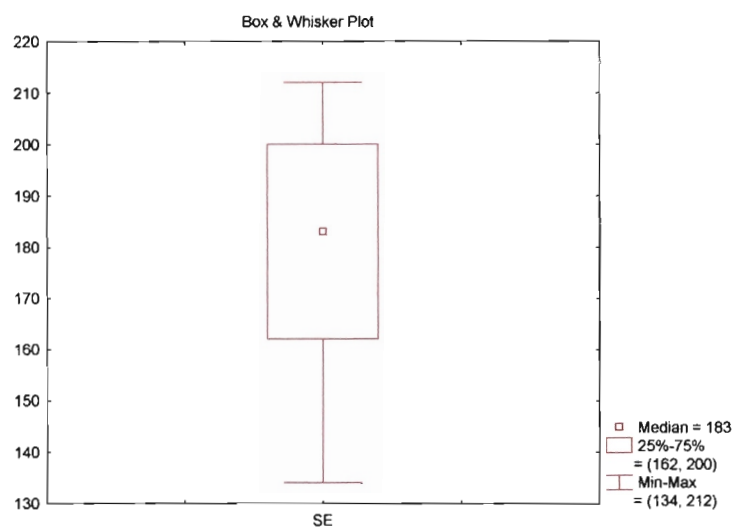


Figure 4 Box and whisker plots of self-efficacy scores

The box and whisker plot diagram, figure 4, represents a visual picture of the distribution of scores and they center very narrowly around the median. There are no outliers in terms of performance ratings. The representation of the self-efficacy scores in terms of the box and whisker plot indicates and even spread around the mean with no outliers. The graphical representation indicates that there is no reason to suspect that the data could be skewed and affect the result of the relationship between self-efficacy and performance. The concern arises from the lack of spread of the performance ratings. The range for the performance ratings is 2.5-3.7 with most of the scores clustering around the median, between 3.0 and 3.2.

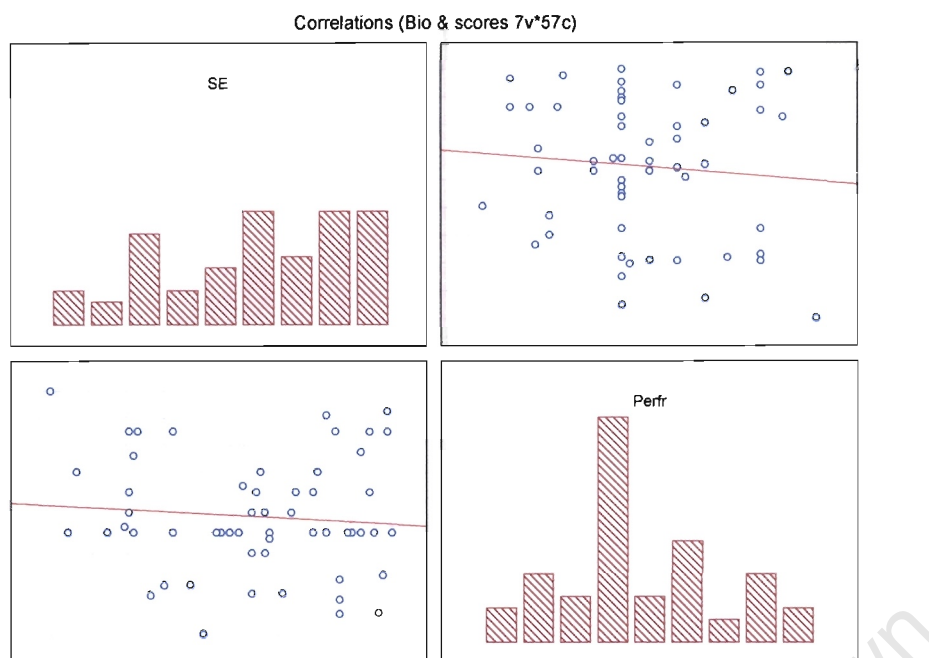


Figure 5 Histogram and Scatterplot of self-efficacy and performance relationship

In terms of correlating the scores for self-efficacy and performance rating the Spearman's rank order correlation co-efficient yielded a result of $r = -0,06$. This indicates that there is a very weak negative relationship between self-efficacy and performance in terms of the strength of the relationship. The high self-efficacy scores associates with low scores of performance. The strength of the relation ship between two variables is normally illustrated by means of a correlation co-efficient ranging between 1 and -1 (Terreblance & Durrheim, 1999). This lends further support to the realization that a result of -0.06 is a very weak relationship or almost non-existent.

This relationship is depicted in the diagram, figure 5 above. In the scatter plot, the dots appear to be randomly distributed about the line and in drawing a straight line through the dots it appears as if there is almost no relationship. The dots do not necessarily cluster around the regression line and one can infer that the relationship is a weak one.

Further tests were conducted in terms of understanding if the various subsections accounting for self-efficacy in terms of ability to sell banking products, product knowledge and client service could account more or less for this relationship. In correlating sales and performance, $r = 0.02$, product knowledge and performance, $r = -0.11$ and client service and performance, $r = -0.23$.

Correlating the sales dimension with performance gave a very weak indication of a positive relationship whereas correlating the other two dimensions indicated a weak negative relationship. While it might be worthwhile to explore the effect that the sales dimension has on the self-efficacy, the strength of the relationship is miniscule and does not warrant further exploration. Since the results only depicted weak, negative relationships no further regression analysis was conducted since the basis for testing the relationship was not strongly formulated.

An attempt was made to understand why that relationship in fact existed before deciding to run further tests. In order to understand whether the variables of race, age, gender and years of experience played a significant role in the relationship between self-efficacy and performance further statistical analyses were run that yielded the following results. There appeared to be no significant results when attempting to see whether there were any variances in the performance ratings and self-efficacy scores when one investigated gender, region and race. The result were viewed in terms of graphic displays in order to illustrate the interplay of the variables, performance with years of experience and age as well as self-efficacy scores with years of experience and age.

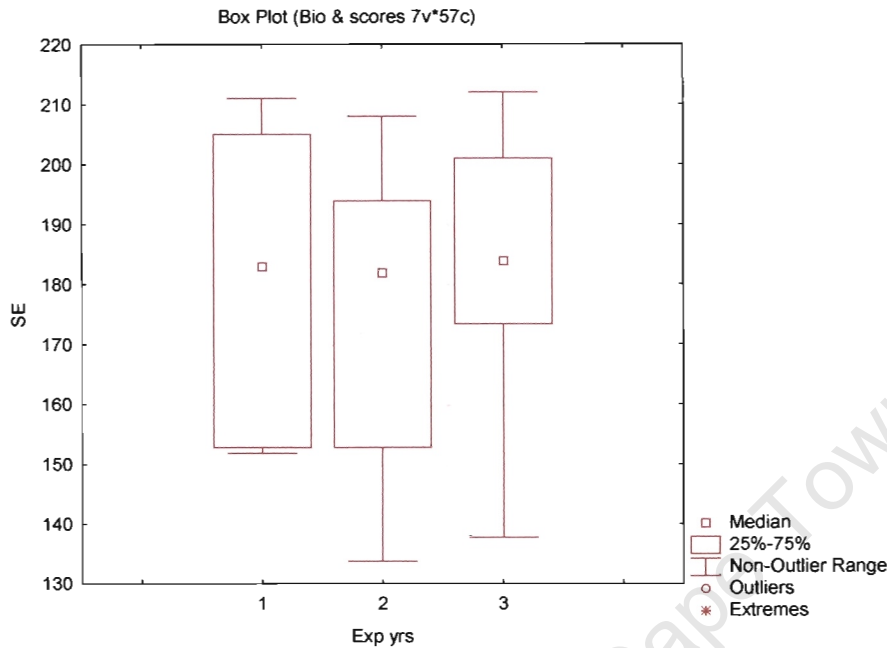


Figure 6 Box and whisker plot of self-efficacy and years of experience

The figure depicts the differences in how the various years of experience categories responded in terms of their self-efficacy scores. Year of experience categories as follows, category 1 represents > 5 years of experience, category 2 represents >2-5 years of experience and category 3 represents < 2 years experience. It appears that category 3 with the least years of experience rated themselves higher than the midpoint of the self-efficacy scale. Those with less years of experience appear to have a more realistic measure of their self-efficacy. The most experienced category represents more of an even spread of self-efficacy scores. Those that have been with the organization for 2-5 years also did not rate themselves too highly and there appears to be an even spread in the scores.

3.3. Summary of results

The research question tried to establish whether high levels of self-efficacy positively influenced performance and lead to higher performance ratings in retail bankers. The results of the correlation indicated that this is not the case. The levels of self-efficacy of the retail bankers were quite high as indicated in Table 2. Despite their belief in their ability to sell banking products, meet their targets, that they have adequate product knowledge, can solve client's problems and are capable of driving client service, the performance ratings did not reflect this. The rating scale for measuring the performance of the retail bankers was based on a rating scale of 1-5. The performance ratings clustered around ratings between 2.5 and 3.7. This did not indicate a clear distinction between low or high performance. In banking terms reaching a level 4 or 5 would indicate very high performance. A rating of 2.5 borders on non-performance while a rating of 3.5 indicates meeting performance criteria and perhaps exceeding in some aspects of performance measures. The fact that there was no clear distinction between low and high performance could have had an influence on the correlation of the two variables.

3.4. Concluding interpretations

Despite the fact that past research indicated that self-efficacy had a positive effect on performance this was not the case in this study. In fact, the research yielded the opposite result. It would appear that the measure of self-efficacy, the self-efficacy scale, was adequate in terms of reflecting how self-efficacious the retail bankers felt. This was confirmed by the Cronbach's alpha of 0.9. However, the impact of other extraneous variables cannot be discounted. Tredoux & Durrheim (2002) refer, for example, to the impact of the variability in the sample and number of items on the measurement instrument. The sample in question had a high variability if one looks at the standard deviation of 21.9 for the self-efficacy measure. The number of items on the scale was quite high in terms of the 33 items. These are positive indicators if one examines the research methodology. If one considers the control of extraneous variables like administration conditions of the scale, this was possibly not adequately controlled for.

CHAPTER 4 – DISCUSSION

4.1 Main findings and interpretation

Despite the findings of past empirical research relating to self-efficacy and job performance, this research did not support those findings. Instead the research points to a weak negative relationship between self-efficacy and job performance. It is clear within this environment the feelings of high self-efficacy did not necessarily lead to high performance ratings. Since the relationship pointed to a very weak, negative one, and graphically one could almost infer that the relationship did not exist, the detail of the retail banker's responses was examined to gain more clarity as to why this result was found.

Two factors that could possibly have influenced both the performance rating and the self-efficacy score were that of years of experience and age. It was clear that the more experienced retail bankers were rated higher on performance yet their self-efficacy scores appeared to be more realistic in comparison with their performance ratings. The less experienced appeared to have higher self-efficacy scores, yet they did not perform that well on the performance ratings. The younger respondents also had higher self-efficacy scores with lower performance ratings while the older category seemed to have a more realistic view of their self-efficacy.

Various factors could have contributed to this outcome. The retail bankers might have rated themselves quite highly on their self-efficacy scores because they were aware of what the results were going to be used for. Ballantine & Nunns (1998) refers to Rosnow & Rosenthal (1976) where they state that because participation in the survey was voluntary the sample may have yielded biased responses. Ballentine and Nunns (1998) refers to Earley and Lituchy (1991) in which they state that perceptions of performance ability (whether over or underestimated) influence performance, reflecting the limitations of an individual's self-assessment.

In analyzing why the specific group of retail bankers, with less than 2 years of experience in the organization, rated themselves so highly compared to those with more

experience of the organization, Gist & Mitchell (1992) allude to the following factors. The first factor is that as an individual gains experience with a task, they are less likely to do detailed analysis and the individual will more than likely use past performance and attributions about their ability to perform. In the case of the retail bankers, they may have used as a gauge their general ability to sell products versus differentiating between what makes things more complex in the current banking environment. The second factor that Gist & Mitchell (1992) allude to is the fact that if personal characteristics have changed in major ways or they are currently undergoing change, an individual may be less accurate in judging efficacy. In the case of the retail bankers, with less than 2 years experience, they may be unable to form an accurate assessment of the environment due to the fact that the current environment is different (still relatively new to them) and their view of their own ability does not match the task requirements unique to this organisation. The organisation had just been through a merger and so it is not uncommon for the retail bankers to not find an alignment between how they feel they are able to perform and how the collective picture of the retail bankers performance relates to in the organisation.

The area of concern in terms of correlating the two measures could perhaps point in the direction of how the performance rating was obtained. In this research conducted, the performance ratings were not influenced by behavioral indicators such as how much input was extended on the part of the retail banker in terms of performance. The performance rating did not include evaluations of the attempts made in selling a product, how many leads were followed up on, etc. These are perhaps the underlying dimensions of what would make the retail bankers feel more self-efficacious. The performance rating was measured purely on output, whether the target was met or not. In this organisation performance of individuals was evaluated largely by cascading ratings down from the ratings achieved for the Western Cape, then broken down to north and south region, then per banking cluster, followed by branches and lastly the retail bankers. The organisation's key strategy was to focus on acquisition of new clients, retention of existing clients and largely the sale of banking products in terms of new accounts opened, sales of home loans, asset based finance or investment and lending products. The fact that clients chose to leave the bank is largely beyond the retail banker's control. The retail

bankers often experienced problems with the way in which the targets are disseminated into their performance contracts, which is the basis upon which they are rated. This process was largely out of their control. Therefore they may feel highly self-efficacious in terms of having the ability to sell the banking products, having the necessary product knowledge and knowing how to conduct themselves in terms of client service and client retention, but these behavioral measures were not factored into the way in which they were rated.

Ballentine & Nunns (1998) refers to controversy surrounding the identification and assessment of critical work behaviours. Dickinson & O' Brien (1982) and Landy & Farr (1980) as cited in Ballentine & Nunns (1998) refers to the methods of evaluating performance in terms of outcome measures, behavioural measures and performance appraisal rating scales. They indicate that outcome measures may fail to reflect individual work behaviour and could be affected by factors outside of the control of the employees. Dickinson & O' Brien (1982) quantify this by stating that outcome measures in terms of selling banking products could be affected by the type of clients they deal with, the sales area, the distance traveled, the nature of the competition faced, the prevailing economic climate and the amount of advertising the company does in relation to its competitors. Dickinson & O' Brien (1982) as cited in Ballentine & Nunns (1998) therefore state that in order to assess performance more appropriately outcome measures must be supplemented with additional measures such as behavioral or subjective measures. Ballentine & Nunns (1998) describe the behavioral measures as an indication of what an individual should do to achieve the end result as opposed to focusing on the end result.

Ballentine & Nunns (1998) cite Bandura (1984) in which he states that the misjudgments of task requirements, unforeseen situational constraints on performance and inadequate assessments of performance and insufficient information regarding performance standards can be detrimental to the self-efficacy and performance relationship. It appears that one would therefore have to look at how the performance contract is constructed more closely in terms of assessing performance in future.

Lent & Hackett (1987) cite Bandura (1977) in which he states that self-efficacy is an important determinant of behavior to the extent that subjects also possess requisite performance skills, adequate performance incentives and favourable outcome expectations. It is argued that these variables are important self-efficacy partners, serving to moderate its impact on performance behavior. One could conclude that it is only the retail bankers that have more experience in the organisation that could have had realistic perceptions of their self-efficacy and therefore their self-efficacy ratings appear to be more realistic in line with their actual performance ratings. Another interesting avenue to explore would be the fact the bulk of the self-efficacy responses fell into the categories of less than 5 years of experience. It would be interesting to examine the effect of experience on self-efficacy ratings and thereby explore other moderating variables that interplay in the self-efficacy formulation.

The organisational setting in which the survey was conducted was not one in which the organisation was perceived as meeting all its performance objectives. The retail banking sector more specifically, as the distribution arm for the company is under enormous pressure to perform. The mid-year results for the company yielded a turn around in performance but there is still enormous pressure to attain objectives that meet competitor standards. The fact that the retail bankers rated their self-efficacy that highly is surprising. Certainly the feedback about the retail banking sector is not positive and one would have expected self-efficacy scores to reflect less positively. The results received as part of the performance ratings for the retail bankers reflects a more realistic view of where the company's performance is.

This was the first study conducted in a retail banking environment in South Africa and very few factors or variables were controlled for in terms of conducting the research. The aim of the research was purely to test whether there was support for a relationship between self-efficacy and job performance in the retail banking environment. Ballentine & Nunns (1998) refers to Gist (1987) where it was suggested that self-efficacy has various implications for organisational behaviour specifically in the areas of leadership and performance prediction. Gist stressed that a high correlation between self-efficacy

and performance needed to be validated in the work setting first before looking at the implications of leadership and performance prediction. Clearly this research does not validate the relationship and one would have to explore why this occurred.

4.2. Directions for future research

Despite producing a result contrary to past research, the study has some relevance to the retail banking environment. Gist and Mitchell (1992) states that self-efficacy is a dynamic construct that changes over time as individuals are exposed to new information and experiences. They emphasize perhaps the need to assess the relationship between self-efficacy and performance in a longitudinal design of research.

Ballentine & Nunns (1998) made use of two measures of work performance, namely, a supervisory rating and a work-output measure. Their research also specifically focused on the moderating effect of supervisory support on the self-efficacy work-performance relationship. Future research in the banking environment could perhaps focus on eliciting a more accurate measure of work performance. Ballentine & Nunns (1998) findings point to the fact that supervisory support moderated the relationship between self-efficacy and the supervisor-rated performance measure and not the relationship between self-efficacy and the work-output measure. Ballentine & Nunns (1998) cite Barling and Beattie (1983) in which they made use of a work-output measure in a South African context. Within the banking sector the environment is marked by rigorous competition and there are a number of variables that can affect performance attainment at organisational level that can filter down to the distribution arm of the retail bankers. Future research should control for this and perhaps include a subjective measure of their performance to supplement the work-output measure.

Ballentine & Nunns (1998) findings suggest that the provision of supervisory support moderates the self-efficacy performance relationship by providing subordinates with encouragement and assistance that enhances their perception of self-efficacy and goal attainment. Since the retail bankers did not battle with low perceptions of self-efficacy around their ability to perform their tasks one would also question the level of supervisory

interaction. It leads one to question whether there is in fact a lack of supervisory interaction that leads the retail bankers to have an unrealistic view of their ability to meet performance attainment.

Another avenue to explore in the retail banking environment would be to examine the effect age and experience would have on self-efficacy scores with a bigger sample. It would be interesting to get a more realistic view of the branch manager's perceptions of the retail banker's abilities to perform, and compare that to their actual self-efficacy score and then correlate that to performance.

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CONCLUSION

The literature review has given an indication, as proven through previous research, that a relationship does exist between self-efficacy and performance. It points to the fact that self-efficacy has a positive effect on performance. The relationship between self-efficacy and performance indicates that self-efficacy positively influences performance, be it cognitive performance or academic performance. There has also been sufficient support for the view that self-efficacy has a positive effect on job performance. Research has therefore been conducted in an organisational setting, albeit not extensively.

Previous research conducted in an organisational setting has also made use of different methodological approaches to arrive at their findings. Ballantine & Nunns (1998) examined the moderating effect of supervisory support on the relationship between self-ratings of self-efficacy and two measures of work performance. They made use of 24 item efficacy subscale of the Self-Efficacy Beliefs Questionnaire, as cited in Beattie (1981) and compared this to two measures of work performance namely a work-output measure of performance and a supervisor-rated performance measure. Ballantine & Nunns (1998) furthered the research of Beattie (1981) by conducting research on a group of broker consultants as opposed to the previous group of life assurance agents used in the previous research. This research did not focus on any mediating effects, or any other control variables in the research design. The aim was to test if there was evidence of a positive relationship between self-efficacy and job performance with a sample of retail bankers in the retail banking environment. This research made use of a questionnaire, designed using the guide for constructing self-efficacy scales Bandura (2001) and adapted this to suit the task domains of the retail bankers. The method used to obtain the performance rating was simply to ask the line managers of the retail bankers to rate their performance.

Despite the extensive research conducted on self-efficacy and performance in the review of past literature, this research has not validated the previous findings. The questionnaire designed to measure the retail banker's self-efficacy scores yielded a good

internal reliability indicated by the Cronbach alpha value. One could therefore not question the questionnaire since it pointed to a good instrument in terms of reliability. The data in terms of how the performance of the retail bankers were measured deserves to be further explored. The performance ratings of the bankers clustered very closely around the mean and there was no clear indication between good performance and excellent performance. This could lead one to question the way in which performance is evaluated in the organization. In terms of the research design perhaps a more rigorous approach to measuring performance could be employed. Guidance should be given to the organisation on how the retail bankers reflect on their abilities to sell banking products and how incongruent the performance measurement tool is.

The fact that the retail bankers feel highly self-efficacious is a huge positive for the organisation and one could still examine how that result could be used to inform line manager's input into the performance appraisal process.

Future research on self-efficacy and job performance should definitely be encouraged in organisational settings. Gist (1987) states that there are several implications of such research for human resource management that could affect selection, leadership, training and vocational counseling. As the pace of environmental change increases, organisations need to be able to respond to change in terms of mergers, acquisitions, expansion or reduction in force, alignment of functions and strategic changes in mission or product lines.

The crux of responding to change is to maintain the focus on performance. Despite the fact that this research did not support predominant findings there is value in exploring the focus on performance in the banking environment much further. It would be interesting to explore the perceptions of the line managers that have rated the retail bankers in terms of how they would rate the bankers self-efficacy. It is also clear that the performance rating process in terms of measuring output, target attained, does not give credit to the input the retail bankers give to the process. It would be advisable for the organisation to further examine how they rate performance and look at more subjective factors when rating.

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APPENDIX A

SELF-EFFICACY SCALE FOR RETAIL BANKERS

Confidentiality

This research is being conducted for academic purposes only. The information that you share will remain confidential. By completing this questionnaire you are hereby consenting to participate in the research process.

Personal Demographic details

1. Name: _____
2. Gender: Male ☐ Female ☐
3. Age: _____
4. Race: Black ☐ Asian ☐ Coloured ☐ White ☐ Prefer not to respond ☐
5. Period in role as Retail Banker: <2 years ☐ 2-5years ☐ >5 Years ☐
6. Attending the Bankers Curriculum: Yes ☐ No ☐
7. Specify which region you are in: North ☐ South ☐
8. Branch: _____

This questionnaire is designed to help us get a better understanding of how well Retail Bankers are able to perform on the specific tasks relating to their current roles in the Retail banking, sales environment. The questionnaire will take you approximately 30-45 minutes to complete.

Please rate how well you are able to do things by circling the appropriate number.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

Efficacy to sell banking products

I can distinguish which products to sell to which clients.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to sell the banking products.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I effectively market the products to clients.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I communicate well with clients.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to assess the client and decide on alternate products to sell.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I can sell a product within one meeting with a client.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I can sell any product within follow up meetings with a client.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I persist with a client to make a sale.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I display confidence when selling the products.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

Efficacy to meet sales targets

I am able to attain my sales targets.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I meet the sales targets ahead of time.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I achieve the sales targets without assistance from colleagues.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I achieve the sales targets without assistance from product specialists.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I motivate myself to achieve my targets.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I persist in attempting to meet my sales targets.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I remain focused on achieving my targets.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

Efficacy of product knowledge

I understand the banking products I need to sell.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I have sufficient knowledge with which to sell.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I sell products effectively without specific training.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I can sell products even though only exposed to informal training/regular updates on products.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to sell products if exposed to formal training on products.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I offer the clients the best service because of my knowledge.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to learn new things.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

Efficacy to solve problems

I solve most clients' problems.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I solve most clients' problems without intervention from colleagues.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I solve most clients' problems without intervention from my branch manager.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I offer the client alternative solutions.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I persist with finding a solution for a client without giving up.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

Efficacy to deliver client service

I question effectively in order to understand a clients' need.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I deliver to the client without constraints.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I can meet the clients' need independently.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to interpret the banking processes in order to assist a client.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

I am able to interpret and understand the legislative processes in order to assist the client.

1	2	3	4	5	6	7
strongly		disagree		agree		strongly
disagree						agree

THANK YOU FOR YOU CO-OPERATION

APPENDIX B

RATING SCALE

PERFORMANCE RATING	PERCENTAGE CORRELATION	DESCRIPTORS: Provides a brief description of each numerical rating from 1 – 5
1-1.5	0%-60%	Most agreed outcomes/standards have not been met: performing at a consistently low level which impacts both on the team and the clients. Performance must improve; required training to be available, documented counselling records or PCP should be in place to ensure that the required competency levels are achieved
1.6-2.4	61%-79%	Some agreed outcomes/standards have been met: performing below what was agreed to/expected relative to agreed outcomes or standards. Performance standard is inconsistent. Possibly will not have all the required skills or might not apply skills. Therefore required training to be available, documented counselling records or PCP should be in place to ensure that the required competency levels are met
2.5-3.5	80%-100%	Most / All agreed outcomes/standards have been met: performing almost at the required competence level, however not all standards/outcomes have been met. Some may have been exceeded, but on balance, overall performance is below target. Training and coaching to be provided if necessary.
3.6-4.0	101%-120%	All outcomes/standards have been met and some have been exceeded: performing at the required level of competence. The person has achieved all of what was expected and exceeded some standards/outcomes. Collaborates with team members as required to achieve goals
4.1-4.5	121%-135%	Performance exceeds all agreed outcomes/standards: performance exceeds outcomes/standards, consistently delivering above average performance. There is excellent feedback from both internal and external clients, and high levels of expertise and initiative are demonstrated. Contributes constructively to the team at all times.
4.6-5.0	136%-150%	Exceptional performance against agreed outcomes/standards Exceptional performance: significantly exceeds all outcomes /standards by consistently delivering outstanding performance. Excellent client feedback and the person makes a significant contribution or impact outside of the normal job requirements, to the benefit of the Division. Functions as a role model.

Frequency of Assessment

1st rating: This is the rating for the first six months of the year i.e. January – June (assessment conducted in July/August). Feedback from the 360's relevant to each perspective and objectives will be considered as input to the rating. Ratings to be captured on the Nedbank Performance Rating System.

2nd Rating: This is the rating for the second performance review period from July - December.

Feedback from the 360's relevant to each perspective and objectives and will be considered as input to the rating.

Sign off overall Rating: This is the average rating of the 2 annual performance reviews, or the agreed rating for the entire 12 months under review, signed off by both the employee and the manager.

NB: The mid-year 2005 reviews were not compulsory, therefore 2005 final year-end rating is based on the review period from January- December 2005.

APPENDIX C

From: Paul, C. (Chantal) BoE
Sent: 21 July 2005 12:09 PM
To: Costa, A. (Anthony); Reis, S. (Susan)
Cc: Adams, N. (Nisreen)
Subject: Permission to conduct a research study in the WC area
Importance: High

Hi there

I would like to request permission to administer a survey to the Retail Bankers in your respective areas. I am registered for the Master's degree in Organizational Psychology with the University of Cape town. I am in the process of completing 6 modules toward my required coursework and have also commenced work on my dissertation.

The title of my dissertation is as follows:

A correlational study into the impact of self-efficacy on job performance in the Retail Banking environment.

Limited research has been conducted in a financial services environment specifically with reference to sales. The study will be of great value in this respect. The topic of self-efficacy has been widely researched. Previous research into the construct self-efficacy has pointed to the fact that individual's self-efficacy beliefs influences their ability to perform and produce results, and that if one concentrates on individual's self-efficacy beliefs it would impact positively on their performance ratings. The more self-efficacious individuals feel about certain tasks, the better they perform. I would like to test this theory with the Retail Bankers by comparing their self-efficacy scores (by completing the questionnaire) to their performance ratings.

I would like to conduct my research with a sample of Retail Bankers that have been employed for more than two years or more. I would like to either send the questionnaire to the Branch Managers to disseminate or **would welcome any method you recommend so as to cause minimal disruption to the normal course of business.** The self-efficacy questionnaire would take no more than 30 minutes to complete. There will be minimal

intervention on my side. In the process of the research I would like to compare this self-efficacy score to the current performance data and would need to know the following, employee numbers, years of service, race, gender, etc. With your consent I could get this data from Human Resources. This correlation of data would seek to prove that the relationship does exist and that it is a positive one.

Of what use could it be to you:

The Benefit to the organization is that the insight gained from the study could inform management practices that would develop and strengthen the self-efficacy beliefs of individuals and this could impact the individual performance results. I will however provide individual feedback to those individuals that request the information and will explain the significance in terms of how that relates to the findings of the research. I would also be able to share the results, in terms of the findings of the study and the implications of the findings for the organization with you, with caution so as not to breach individual confidentiality.

University protocol dictates that I first have their approval for the study and meet their necessary ethical requirements before I can proceed and therefore I am approaching you now. For the purposes of this research, the process will be guided by my Research supervisor, Anthony Hill, an academic from the University of Cape Town. His guidance would also ensure that there are no ethical implications breached that could affect both the University and Nedbank. Please note that extreme caution would be applied as to how this information will be used. No one with the exception of my Supervisor and myself would have sight of the self-efficacy scores.

I would appreciate your thoughts and comments on this. Please let me know if it meets your approval or if I need to get approval from any other source. I have briefly discussed this with Mark Smith but since it affects your area directly I thought I'd approach you directly. Should you require any additional information, please feel free to contact me.

Kind regards

Chantal Paul

(021) 416 6062

chantalpa@nedbank.co.za